

AMENDMENT NUMBER ONE
TO
CONTRACT MA-060-15010542
BETWEEN THE
COUNTY OF ORANGE
AND
GLOBAL TEL*LINK CORPORATION

This AMENDMENT NUMBER ONE to Contract Number MA-060-15010542, (hereinafter "AMENDMENT ONE") between the County of Orange, a political subdivision of the State of California (hereinafter "COUNTY") and Global Tel * Link Corporation, (hereinafter "CONTRACTOR") with a business address of 12021 Sunset Hills Road, Suite 100, Reston, VA 20190 is made upon execution of all necessary signatures.

RECITALS

WHEREAS, COUNTY and CONTRACTOR executed a CONTRACT for Inmate Telephone Services on November 25, 2014, Contract Number MA-060-15010542 (hereinafter "ORIGINAL CONTRACT") for a three (3) year term of November 25, 2014 through and including November 24, 2017;

WHEREAS, the Federal Communications Commission ("FCC") issued its Second Report and Order and Third Further Notice of Proposed Rulemaking in WC Docket No. 12-375 on November 5, 2015 ("FCC Order"), which mandated rates, charges, fees, and other requirements; and

WHEREAS, COUNTY and CONTRACTOR desire to retroactively modify the ORIGINAL CONTRACT in order to implement the FCC mandated rates, charges, fees and other requirements, as further provided below effective June 20, 2016; and

WHEREAS, COUNTY desires to renew the ORIGINAL CONTRACT as Contract Number MA-060-18010006 for a for one year term of November 25, 2017 through and including November 24, 2018 and the CONTRACTOR has agreed to provide the services as set forth in this AMENDMENT NUMBER TWO;

NOW THEREFORE, in consideration of the mutual obligations set forth herein, both COUNTY and CONTRACTOR agree as follows:

I. ARTICLES

- a. Additional Terms and Conditions, Section Term of Contract, of the ORIGINAL CONTRACT is amended to read in its entirety as follows:

1. Term of Contract:

This Contract shall commence upon execution of all necessary signatures, and continue in effect from 11/25/14 through and including 11/24/18, unless otherwise

terminated by County. The period of 11/25/14 through and including 11/24/17 shall be known as Contract number MA-060-15010542. The period of 11/25/17 through and including 11/24/18 shall be known as Contract number MA-060-18010006. This Contract may be renewed for six (6) additional one year terms upon mutual agreement of both Parties. The County is not under any obligation to provide Contractor with a reason should it elect not to renew this Contract, nor is the County obligated to provide any prior notice to Contractor of its intent not to renew the Contract.

b. Additional Terms and Conditions, paragraph #27, Revenue Sharing and Commission Payments shall read in its entirety as follows:

27. Revenue Sharing and Commission Payments: Effective from June 20, 2016, Contractor shall pay the County the greater of either: (1) a Minimum Annual Guarantee (MAG) of Three Million One Hundred Sixty Eight Thousand Dollars (\$3,168,000), which equates to \$264,000/month, the Minimum Monthly Guarantee (MMG) or (2) Eighteen cents (\$0.18) per minute per inmate telephone call, calculated based upon monthly call volume, other than interstate calls. No commission is paid on revenue from interstate calls. Payments shall be made to the County in equal monthly installments. Payments shall be due and payable in advance on the first business day of each month (except for prorated payment in the event that the Contract begins or ends on a day other than the first day of the month). At the end of each calendar month the MMG shall be reconciled with the money that would be owed under (2.) above for that month, and the excess due under (2) above, if any, shall be paid no later than the tenth (10th) business day of the immediately following month. If the amount payable under (2.) above does not exceed the MMG payment made, Contractor shall so certify within ten (10) calendar days and no additional revenue shall be due for that month, but no refund will be made. The foregoing commission shall replace any and all commissions, revenue sharing, or other monies payable under the Contract by Contractor to the County, or to any fund or third party designated by the County. Effective November 25, 2017, Contractor will pay the County a monthly administration cost reimbursement fee in the sum of Twenty Two Thousand Dollars (\$22,000) ("Administration Fee"). The Administration Fee will be disbursed concurrently with the monthly commission payable to the County.

c. Attachment A, Scope of Work, Section C., Call Detail and Management Reporting #17 Call Charges and Fees is deleted and replaced in its entirety as follows:

17. Call Charges and Fees

On June 20, 2016, the rates and charges for international, interstate, and intrastate inmate telephone service ("ITS") calls and associated transaction fees ("Transaction Fees") set forth in the Contract shall be deemed revised without further action by the Parties, and shall be implemented, as follows:

A. Inmate Telephone Services.

Interstate ITS calls made using a collect format: \$ 0.25 per minute of use.

Interstate ITS calls, whether made using a debit, prepaid/AdvancePay™ format: \$ 0.21 per minute of use.

Intrastate ITS calls, whether made using a collect, debit, prepaid/AdvancePay™ format: \$ 0.23 per minute of use.

International ITS calls, whether made using a debit, prepaid/AdvancePay™ format: Rates published on the Contractor's website.

No per call, per connection, or flat-rate calling charges shall apply to international, interstate, and intrastate ITS per minute of use calls.

The rates charged are exclusive of taxes, and other amounts collected by Contractor on behalf of, or paid to, third parties, including but not limited to payments in support of statutory or regulatory programs mandated by governmental or quasi-governmental authorities, such as the Federal Universal Service Fee, and any costs incurred by Contractor in connection with such programs.

"DEBIT Rates for all International countries are listed on International Rates Chart – Country Specific"

Transaction Fees. Contractor may charge certain Transaction Fees in accordance with the following schedule. These Transaction Fees are cost recovery in nature and are not considered revenue by Contractor therefore no commission is paid on these fees.

Account Transaction Fees	Amount
Fee for automated payment for credit card, debit card, and bill processing fees	\$3.00 per use
Fee for payment using live operator	\$5.95 per use
Fee for paper bill/statement	\$2.00 per use
Fee for use of third-party money transmitter (e.g., MoneyGram, Western Union, credit card processing, transfers from third-party commissary accounts)	The exact fee from the third-party provider passed through directly to customer with no markup

As soon as reasonably practicable following the effective date of Amendment One, Contractor will add AdvancePay One Call or APOC, which is a prepaid calling option without a minimum balance requirement, which allows a consumer (not an inmate) to establish an account that will pay for calls from an inmate. Consumers using an Automated Payment method to make an APOC may be charged up to three dollars (\$3.00) per use.

Single-Call and Related Billing Arrangements. Contractor may permit consumers to purchase ITS on a collect call basis through third-party billing arrangements that allow consumers to pay for a single ITS call using such methods as their debit or credit card, billing the cost of a single ITS call to their mobile phone account, or another arrangement. When a consumer chooses to pay for a single ITS call using such a method, the charge shall be any applicable transaction fee and other charges allowed by law.

B. Penalties

Severity Level	Severity Examples Level (Inmate Use)	Severity Examples Level (Monitoring)	Response Time	Expected Resolution Time	Fine Per partial/full day
Critical	Server or Carrier unavailable or major service interruptions involving 30% or more of the system	Server Unavailable or major service interruptions Recording or monitoring have stopped	1 Hour	8 Hours	>8 but <48 hours- \$1,000.00 >48 but <72 hours- \$1,500.00 >72 hours- \$2,500.00 Second Occurrence or more in same contract year \$5,000
Severe	Service interruptions affecting 25% - 30% of the inmates/wards housed in a single unit	Sound quality is distorted or workstation non functional	4 Hours	24 Hours	>24 but <48 hours- \$500.00 >48 but <72 hours- \$1,000.00 >72 hours- \$1,500.00
Minor	Single phone out of service but other phones remain available and functional	System responses have slowed or keyboard is malfunctioning	8 Hours	40 Hours	>40 but <72 hours- \$100.00 >72 hours- \$300.00

Cosmetic	Damage to phone but phone is still functional	Keyboard is sticking	24 Hours	80 Hours	>80 hours-\$100.00
----------	---	----------------------	----------	----------	--------------------

- c. ATTACHMENT C, Revenue Sharing and Payment of the ORIGINAL CONTRACT is deleted and replaced in its entirety with Attachment C, Payments, as follows:

This is a Revenue Sharing Contract between the County and the Contractor for services provided in Attachment A, Scope of Work. Contractor shall pay revenue to the County in accordance with the provisions of Paragraph 27 "Revenue Sharing and Commission Payments" in the Contract, as follows:

Contractor shall pay the County \$264,000 per month in revenue, in advanced, by the first of each month.

Contractor shall pay any additional revenue as defined by Paragraph 27 of the Contract no later than the 10th business day of the month immediately following the month in which the revenue was earned. If Contractor determines no additional revenue is owed for any given month, Contractor shall certify this to the County by the 10th calendar day of the month immediately following the month to which the certification relates, and no additional revenue will be due for the preceding month.

Contractor shall pay County \$22,000/month as an administration fee, due and payable, in advanced, on the first of each month concurrently with the monthly revenue.

Revenue payments and/or the certification shall be sent by Contractor to the County at the following address:

Sheriff-Coroner Department
Financial Services
320 N. Flower Street
Santa Ana, CA 92703
Attn: Accounts Receivable

2. A true and correct copy of the ORIGINAL CONTRACT (Contract Number MA-060-15010542) is attached hereto as Exhibit A and incorporated by this reference.
3. All other provisions of the ORIGINAL CONTRACT except as amended herein remain in full force and effect.

Contract Signature Page

The Parties hereto have executed this Contract on the dates shown opposite their respective signatures below

CONTRACTOR*: GLOBAL TEL*LINK CORPORATION

Signature

Jeffrey B. Haidinger

Print Name

President and Chief of Business Solutions

Title

Date

Signature

Charles Stephen Yow

Print Name

CFO and Treasurer

Title

Date

* If the contracting party is a corporation, (2) **two signatures are required**: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer of any Assistant Treasurer.

COUNTY OF ORANGE,

a political subdivision of the State of California

By

Print Name

Title

Date

Approved by Board of Supervisors on:

Approved as to form

County Counsel

Deputy

6 of 7

File Folder 616284

Global Tel*Link Corp.

MA-060-15010542

EXHIBIT A

ORIGINAL CONTRACT (Contract Number MA-060-15010542)